

VWO

Vanguard FTSE Emerging Markets ETF

Analyst Report

VWO is one of the largest ETFs in the world, having been embraced by investors as an efficient way to establish exposure to emerging markets. Given the opportunity to establish broad-based exposure to the developing economies of the world, VWO may appeal to a number of different investors; this fund can be used as a short-term trading vehicle or as a core holding in a long-term, buy-and-hold portfolio. It should be noted, however, that VWO tends to attract longer-term investors; those with short time horizons gravitate towards EEM, which boasts a deep and active options market and generally experiences greater trading volumes.

VWO has become incredibly popular for a reason; the extremely low expense ratio charged by this ETF makes it a cheap way to access an asset class that is a critical component of any growth-oriented long-term strategy. The fact that VWO is available for commission-free trading on multiple platforms further enhances the appeal to cost-conscious investors. There's a lot to like about the balance of the portfolio as well; VWO invests in hundreds of stocks across dozens of different emerging markets in all corners of the globe, ensuring that no one market or sector has too significant an impact on performance.

There are, of course, plenty of intriguing alternatives to VWO. An equal-weighted fund from Rydex (EWEM) includes the same holdings as VWO but assigns an equivalent weight to each, making it potentially appealing for those seeking to avoid cap-weighted methodologies. WisdomTree's dividend-weighted DEM is another option for those who prefer alternative weightings strategies, as is PXH from PowerShares. Overall, VWO is a great option for long-term investors, offering balanced exposure at a low fee.

ESG Themes and Scores

6.24/10

ESG Rate

38.03%

Global Percentile

14.14%

Peer Percentile

Performance Data

	VWO	ETF Database Category Average	Factset Segment Average
1 Month	1.99%	5.13%	6.76%
3 Month	3.10%	5.97%	8.45%
YTD Return	11.42%	18.49%	22.22%
1 Year Return	30.06%	38.13%	43.10%
3 Year Return	18.23%	18.34%	15.72%
5 Year Return	5.57%	5.51%	4.61%

Top 5 Holdings

Symbol	Holding	% Assets
2330	Taiwan Semiconductor Manufacturing Co., Ltd.	12.78%
Other	U.S. Dollar	4.11%
700	Tencent Holdings Ltd	3.55%
9988	Alibaba Group Holding Limited	2.55%
500325	Reliance Industries Limited	0.89%

Vitals

Issuer	Vanguard
Brand	Vanguard
Structure	ETF
Expense Ratio	0.06%
Inception	Mar 04, 2005
Index Tracked	FTSE Custom Emerging Markets All Cap China A Inclusion Net Tax (US RIC) Index

ETF Database Themes

Category	Emerging Markets Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Blend
Region (General)	Emerging Markets
Region (Specific)	Broad

FactSet Classifications

Segment	Equity: Emerging Markets - Total Market
Category	Size and Style
Focus	Total Market
Niche	Broad-based
Strategy	Vanilla
Weighting	Market Cap

